

1 ROBERT T. STEWART (SB #13770)  
2 [rtstewart@foley.com](mailto:rtstewart@foley.com)  
3 ELLEN E. OSTROW (*admitted pro hac vice*)  
4 [eostrow@foley.com](mailto:eostrow@foley.com)  
5 FOLEY & LARDNER LLP  
6 95 S. State Street, Suite 2500  
7 Salt Lake City, UT 84111  
8 Telephone: 801.401.8952  
9  
10 *Attorneys for JEX Technologies Corp.*

8 UNITED STATES BANKRUPTCY COURT  
9 DISTRICT OF NEVADA

10 In re  
11 METAL RECOVERY SOLUTIONS, INC.,  
12 aka MRS, INC.,  
13 Debtor.

Case No. 20-50660-gs  
Chapter 7

JEX TECHNOLOGIES  
CORPORATION'S OPPOSITION TO  
GEO-LOGIC ASSOCIATES, INC.'S  
MOTION TO APPROVE SALE

Hearing Date: 7/19/2023  
Hearing Time: 1:30 p.m.

15 JEX Technologies Corporation, a Nevada corporation, ("**JEX**") objects (the "**Objection**")  
16 to Geo-Logic Associates, Inc.'s ("**GLA**") *Motion to Approve Sale* [Docket No. 344] (the "**Motion**").

18 In support of the Objection, JEX states as follows:

19 1. The Court conducted an auction on April 5, 2023 (the "**Auction**"), where GLA,  
20 Element Global, Inc. ("**Element**"), JEX, and Dr. Thom Seal participated as bidders.

21 2. At the Auction, the Trustee, in his business judgment, selected Element as the  
22 highest bidder for the purchase price of \$2,500,000. The Trustee also selected JEX and Dr. Seal as  
23 the backup bidder for the purchase price of \$2,450,000. GLA ceased bidding at the Auction and  
24 did not submit a higher or better offer.

25 3. The Court approved the sale to Element and, if Element did not close, to JEX and  
26 Dr. Seal as the backup bidders on May 5, 2023 pursuant to the *Order Approving Trustee's Motion*  
27  
28

1 to Approve Sale of Claims and Other Bankruptcy Estate Assets [Docket No. 317] (the “**Sale**  
2 **Order**”).

3 4. Prior to Element’s deadline to close on the Purchased Assets, Element requested an  
4 extension of time from the Trustee to deliver the purchase price. The Trustee, in his business  
5 judgment, consented to two extensions subject to a \$50,000 non-refundable payment and a  
6 commitment from JEX and Dr. Seal to remain as the backup bidder for the Assets. See Docket No.  
7 328.

9 5. GLA objected to the second extension through its *Motion to Compel Compliance*  
10 *with the Sale Order* [Docket No. 330], which the Court denied.

11 6. Element did not provide the purchase price within the time allowed under the second  
12 extension, and the Trustee notified the parties of the same on July 3, 2023. See Docket No. 343.  
13 Pursuant to the Sale Order, JEX and Dr. Seal were to pay their backup bid within five (5) business  
14 days of the Trustee’s email informing all parties that Element failed to perform, or by July 11, 2023.

16 7. On July 6, 2023, JEX contacted the Trustee about an extension to pay the backup  
17 bid on or before July 26, 2023. The Trustee agreed, and the parties stated the terms of the extension  
18 on the record at a status hearing on July 6, 2023, to which GLA did not object.

19 8. At the status hearing on July 6, 2023, the Trustee noted on the record, and JEX and  
20 Dr. Seal agreed, that Element could still perform prior to JEX and Dr. Seal submitting the backup  
21 bid amount. To JEX’s knowledge, Element has not tendered the purchase price to the Trustee.

23 9. On July 10, JEX and Dr. Seal provided proof of funds to the Trustee’s counsel. JEX  
24 then tendered the purchase price to the Trustee’s counsel in the following installments: \$300,000  
25 on July 10, \$800,000 on July 11, \$675,000 on July 12, and the remaining amount for a total of  
26 \$2,300,000 on July 13. Dr. Seal delivered the remaining \$150,000 on July 17.



1           *Lastly*, pursuant to 11 U.S.C. § 363(b), the *trustee* can move to sell property of the estate,  
2 not a creditor or other party in interest. While GLA claims that the Trustee requested that it file the  
3 Motion, GLA itself cannot seek to sell assets of the bankruptcy estate. JEX understands that the  
4 Trustee is complying with the terms of Sale Order and Term Sheet, not seeking to sell the purchased  
5 assets to GLA.

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7           Based on the foregoing, JEX respectfully requests the Court deny the Motion. If the Court  
8 elects to conduct another hearing on the Motion, JEX requests the Court allow for additional  
9 briefing on these issues.

10           Dated: July 18, 2023

FOLEY & LARDNER LLP

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13           By: Ellen E. Ostrow

ELLEN E. OSTROW  
ROBERT T. STEWART

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15           Attorneys for JEX Technologies Corp.